

STAKEHOLDER INTERVIEWS

Summary of Findings

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SUMMARY OF FINDINGS

Informed by the findings of the 2013 Grafton Housing Production Plan and the 2015 Summary of Local Housing Needs, Goals & Strategies, through brief interviews Town officials and employees gave their thoughts about strategies and priorities for the Grafton Affordable Housing Trust (Trust). The results of these interviews provide more in-depth understanding of issues and opportunities to consider in developing Grafton's 2016 Affordable Housing Trust Action Plan.

Respondents prioritized the following as the most important focus for the Trust over the next five years.

1. Create more multifamily or complex rental developments.
2. Use Town owned land for affordable housing development.
3. Support friendly 40B developments.
4. Use a consultant to assist the Trust's monitoring of LIP projects.
5. Increase visibility of the Trust, identify itself as the leader on affordable housing.

OBJECTIVES & METHODS

By interviewing people from across different sectors of Town government and activities, the interviews provided a snap shot of opinions about how the Trust can and should spend its monies. They also offered indications of the impact and perception of the Trust.

Among the interviewees, there was a wide range of knowledge about affordable housing. Some respondents have careers in affordable housing and understand the policy and strategy while others had less familiarity with affordable housing.

The Planning Department, in consultation with the Trust, provided consultant JM Goldson with contact information for eight people to interview. The list included members of the Community Preservation and Finance Committees, employees of the Housing Authority, the Council on Aging, and Veteran's Affairs as well as a Town Assessor and Town Administrator. Prior to the interviews, interviewees received a fact sheet about Grafton's housing need. JM Goldson conducted the interviews over the phone over a five-day period. The interview consisted of three questions, each contained 4-5 options that respondents ranked on a scale of 1-10, 10 being the highest priority. Interview questions and results along with the fact sheet are in the appendix.

RESULTS

Armed with the knowledge that Grafton's primary housing need is for more affordable rental housing, followed by assistance for first time homebuyers, and more diverse housing to serve the needs of disabled and aging populations, respondents were asked to rank where the Trust should focus funds over the next five years. Overall, all interviewees expressed enthusiasm for providing affordable housing in Grafton. Interviewees expressed a common refrain:

“How can the Trust get the biggest bang for its buck?”

With each option presented, respondents pondered the efficiency of the goal, and whether it would provide the most housing for the least amount of money.

Question One: Goals

In response to the first question to regarding the importance of the Trust focusing funding on one of three goals, the interviewees prioritized creating more affordable rental units first, then expanding housing options particularly to serve the needs of the elderly and disabled populations, and lastly, to create more affordable for-sale units, as described more below.

I. Rental Units

On a scale of 1-10, the average rank for creation of more affordable rental units was 8.4. Of the three options offered, this ranked the highest for most respondents. Two people noted that rental

units get the “most bang for the buck” and that multifamily or rental complexes can house the most people with greatest efficiency. Another observed that renting is the “wave of the future” and homeownership is not the goal for families that it once was. Finally, respondents remarked that rental units are flexible and can work for the housing needs of any age or family size.

2. Expand Housing Options

Lastly, diversity of housing options ranked 6.9. Some respondents remarked that the elderly need housing assistance, either upkeep to stay in their current homes or more assisted living facilities. One respondent proposed retrofitting some of Grafton’s large inventory of condos and townhouses to serve the needs of the elderly or handicapped.

3. First Time Homebuyers

Investment in for sale units ranked 5.5. Some respondents noted that these units are expensive and not an effective use of Trust funds while others said that for sale units are an integral piece of the affordable housing landscape though not as necessary as rental units. Lastly, one respondent proposed the idea of creating a pool of affordable single family homes for purchase, noting that condos and townhouses that are more affordable at market rate prices might not serve families over the long term.

Question Two: Strategies

The second question asked about strategies the Trust should focus on. Respondents heard five strategies listed and ranked each on a 1-10 scale.

1. Support “Friendly” 40B Projects

The next strategy proposed supporting “friendly” 40B projects and using Trust funds to go beyond the 20-25% affordability mandate. This strategy garnered the highest ranking, 9.3. One respondent described it as “low hanging fruit” and the path of least resistance. The general attitude about this strategy was that it was uncomplicated, flexible, and a program that is already in place, thus removing some of the administrative and political hurdles the other strategies engender. In addition, 40Bs can provide important tax revenue.

2. Develop Housing on Town-Owned Land

The two strategies proposed developing housing on Town owned land or private in-fill parcels. These options ranked 7.8 and 6.9 respectively. There was a wide range of feelings about these options. Some respondents felt that transferring Town land to the Trust is an easy option while others thought it could be very politically challenging. On balance, respondents thought it was a positive and cost effective option, though one person wondered if the Town and Trust have the expertise to execute this strategy. This same person noted that private business and developers have the expertise and ability to foster positive relationships in the community. Respondents also remarked that infill development is too expensive, too urban, and the Town has plenty of developable land.

3. Convert Existing Market-Rate Units to Affordable Units

Finally, respondents ranked converting existing units to affordable units. This strategy ranked 5.2 and did not inspire much enthusiasm on either side. Some respondents felt it could be a useful piece of the Trust's overall strategy though not a high ranking one, while others commented that the return on this investment was too small and that it did not seem cost effective.

4. Monitor LIP Units

Another strategy asked how important it was for the Trust to continue to act as the monitoring agent for its affordable units approved through the LIP program and sparked conversation regarding using Trust funds to contract with a consultant to perform this monitoring function. This strategy earned the lowest ranking at 4.9 with two people giving it a 1. Conversely, two respondents ranked it a 10 noting that with limited funds, the Trust cannot afford to hire out for a task they can do in house.

Some respondents expressed concern about the ethics and expertise of a volunteer board related to this strategy. Other interviewees noted that a volunteer board does not possess the expertise to perform this professional function. Another commented that though one iteration of the Trust may be able to perform this task, the skills do not translate to officers appointed later. These comments point toward the idea of contracting with a consultant to perform the Trust's monitoring function.

Question Three: Overall Effectiveness of the Trust

The last question asked respondents to consider the effectiveness of the Trust to date. Two respondents chose not to answer because they were not familiar enough with the Trust to comment. Four others gave it a 3 or 5, noting that they wanted to be neutral given their limited knowledge of the Trust and its work. Only two people responded with confidence about the Trust's work and they ranked the Trust's effectiveness 7 and 8.

Some respondents noted that what is expected of the Trust is a lot to ask of volunteers and that as a young board there is a big learning curve. The Trust's work is constrained by money and politics, which makes it difficult to be effective though people are excited to see what they can accomplish. Some remarked that they would like to see more collaboration and partnership with the Trust and that the Trust have a higher profile.

Appendix I: Responses to Questions

Below is the background information that respondents received prior to their interviews followed by the three interview questions and a summary of responses. Each question had a follow up question “Why did you rank this this way?”. These responses are captured in the descriptions above.

Background Information Provided Verbally

Grafton's current housing production plan found that Grafton's primary housing need is for more affordable rental housing, followed by assistance for first-time homebuyers, and greater handicapped accessibility and services for disabled and aging population.

Here are a few facts to help indicate housing need:

1. Grafton's population is growing with the largest increase is in middle-aged residents (45-64 years) – that segment of Grafton's population is growing at a rate about double the overall population growth. Meanwhile, the population of children under age 18 have decreased as a percent of total population while increasing somewhat in absolute numbers.
2. Roughly 2,000 households in Grafton have low-incomes - below 80% of the Area Median Income (80% AMI is up to \$65,800 for a household of 4) - However, there are only 325 affordable units (per the state's subsidized housing inventory – note many of these are market rate rentals that count on the SHI but are not restricted to low-income households – I can explain this if you want more clarification). Of these low-income households, there are about 1,150 residents living below the poverty level, many of which are children.
3. Housing options in your community are limited. About 3/4ths of housing stock is single-family houses, which does not meet the needs of your community as it ages and provides limited options for young professionals (e.g. workforce).
4. There is limited availability of rental units. What was available ranged in rent from \$1,250 to \$1,475 per month. This is higher than fair market rent (determined by HUD), which is \$1,036 for a two-bedroom apartment in the Worcester metropolitan statistical area. At the lower end of rental range in Grafton (\$1,250) a renter household would require an hourly wage of \$23.44 assuming 40 hours/week with no time off. The average renter wage in Worcester MSA is only \$12.32. At this wage, a renter would need to work at least 76 hours per week to afford an apartment costing \$1,250. Also, about 20% (235 households) of low-income renters in Grafton spend too much for housing costs (over 30% of gross income).
5. A low-income household could afford to buy a home of up to \$218,000. The value of about 17% of the single-family homes in Grafton is estimated to be affordable to low-income households and about 37% of condos. About 41% (340) of all low-income owners spend too much for housing costs (over 30% of gross income), many of which are elderly.

QUESTION 1: Rank how important it is for the trust to focus funding on the following housing needs in the next 5 years. Scale of 1-10 with 10 being most important.

1. create more affordable apartments
2. create affordable for-sale units
3. create more diverse housing options (barrier free, multi-family, cohousing, supportive services housing, etc)
4. Others? (list and rank)

RESULTS

Goal	Respondent + Ranking								Avg.
	A	B	C	D	E	F	G	H	
<i>Create more affordable apartments</i>	10	8	5	10	7	10	8	9	8.4
<i>Create more affordable for-sale units</i>	3	4	5	10	4	7	4	7	5.5
<i>Create more diverse housing options</i>	6	6	10	7	10	1	6	9	6.9

Respondents did not offer additional goals for question 1.

QUESTION 2: The Housing Production Plan identified a number of strategies that the Trust could potential prioritize for use of trust funds. Which strategies should be the highest priorities for use of trust funds in the next 5 years? Scale of 1-10 with 10 being highest priority.

1. Foster development of affordable housing on Town owned land.
2. Support new housing development on small infill parcels.
3. Support "friendly" 40B projects to secure additional affordable units beyond the 20-25% minimum typical to 40B developments.
4. Monitor the SHI units approved through the LIP program.
5. Convert existing housing units to affordable units.

RESULTS

Goal	Respondent + Ranking								Avg.
	A	B	C	D	E	F	G	H	
<i>Foster development of affordable housing on Town owned land.</i>	5	6	7	10	8	10	6	10	7.8
<i>Support new housing development on small in-fill parcels.</i>	7	8	2	6	6	8	8	10	6.9

<i>Support “friendly” 40B projects to secure additional affordable units beyond the 20-25% minimum typical to 40B developments.</i>	10	8	9	10	10	10	8	9	9.3
<i>Monitor the SHI units approved through the LIP program.</i>	1	5	1	2	10	10	2	8	4.9
<i>Convert existing housing units to affordable units.</i>	3	2	8	8	5	5	3	8	5.2

Question 3: On a scale of 1-10, how would you rate the Trust’s effectiveness to date?

RESULTS

Respondent + Ranking	A	B	C	D	E	F	G	H	Avg.
Trust’s effectiveness?	NA	NA	3	5	5	8	5	7	5.5